

ORIGINAL

P.O. Box 711  
Tucson, Arizona 85702-0711

**UniSourceEnergy**  
**SERVICES**



0000087654

RECEIVED

2008 AUG 14 P 1:30

AZ CORP COMMISSION  
DOCKET CONTROL

August 13, 2008

Docket Control  
Arizona Corporation Commission  
1200 West Washington Street  
Phoenix, Arizona 85007

Re: Transwestern Project Status Report  
Docket No. G-04204A-06-0627 – Decision No. 69333

Docket Control:

Enclosed please find the UNS Gas, Inc. ("UNS Gas") status report on the Transwestern project and UNS Gas' participation in the project, pursuant to Decision No. 69333 (02-20-07). UNS Gas is required to file a status report with the Commission every six (6) months until either UNS Gas begins taking service from Transwestern or UNS Gas' participation in the project is terminated.

Please do not hesitate to contact me at (520) 884-3680 if you have any questions concerning the provided status report.

Respectfully Submitted,

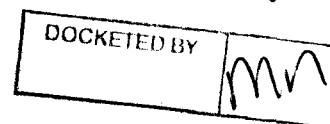
Jessica Bryne  
Regulatory Services

cc: Bob Gray, ACC  
Compliance, ACC

Arizona Corporation Commission

DOCKETED

AUG 14 2008



**UNS Gas, Inc.**  
**Pre-Approval of Cost Recovery for Acquisition of Pipeline Capacity**  
**On the Transwestern Phoenix Expansion Project**  
**August 2008 Status Report**

Pursuant to Decision No. 69333, Docket No. G-04204A-06-0627, UNS Gas, Inc. ("UNS") hereby submits its status report of activities on Transwestern Pipeline's ("Transwestern") Phoenix Lateral Project ("Project"). This status report is based on the weekly progress report received from Transwestern on August 1, 2008.

**TARGETED IN-SERVICE DATE**

- APS Redhawk (~ MP 164) and SRP Desert Basin (~ MP 237) – 10/1/08.

**MP 0 to MP 114**

- ADOT: 1 easement outstanding / Aqua Fria. ADOT requested diversion berm across the Aqua Fria River. Meeting scheduled for 8/1/08 to discuss with ADOT.
- Easements: Aqua Fria @ MP 110.
- Hydrostatic Testing
  - Test Plan for MP 62 to MP 114: Plan routed for comment.

**MP 114 to MP 164 (APS Redhawk)**

- ADOT:
  - Hwy 60 @ MP 123 – ADOT has advised HDD alignment needs to be adjusted to preserve future expansion. Reviewing alternatives to minimize revision of BNRR, Beardsley Canal and MCFCD permits.
- MCFCD/Maricopa County: McMicken - Meeting scheduled for August 7<sup>th</sup> with MCFCD to review permit submittals. Buckeye FRI – Failure mode meeting w/FCD trying to be scheduled the week of 8/4. Revised drawings under development for submission to MCFCD – targeted submittal the week of 8/11.
- Permits
  - MWD Beardsley Canal @ MP 123 – Permit will require additional revision based on route adjustment by ADOT.
  - BNRR: Permit to be revised based on alignment adjustment requested by ADOT.
- Immediate Possession/Non Condemnation Tracts/Other
  - Buckeye Roads – Permit drawings being revised. Permits not required for construction.

- Alternate Route:
  - Desert Creek Area: Mt. Baldy/Buckeye 1680/Church of Nazarene/Lee Mt. Ranches – Options complete and being hand carried to landowners. Also need State of AZ and SRP approval.
- Haaz – On hold pending outcome of alternate route approval.
- Hydrostatic Testing
  - Test Plan routed for comment.

## **MP 164 to MP 255**

- Environmental/FERC & State Release
  - MP 174.5 - Waiting on FERC/State.
  - MP 175.5 - Waiting on FERC/State.
  - MP 238.8 - Access required by landowner. Condemnation tract – Rodeo Burris.
- ADOT:
  - 5 Permits: Hwy 238 @ MP 207; Hwy 347 @ MP 223; Hwy 387 @ MP 241; I10 @ MP 244 and Hwy 87 @ MP 254 – Meeting held w/ADOT on 7/31. Agreement on crossings secured. Permits anticipated the week of 8/4 upon revised submittals by TW.
- Non-Possession/Condemnation Tracts – Discussions/Access Options In-Progress
  - Zeitlan – Final stipulations in-progress.
    - Red River El Dorado (Zeitlan).
    - Grand Valley (Zeitlan)
    - CHI Construction (Zeitlan)
    - Legends Property (Zeitlan).
    - Rodeo Burris (Zeitlan)
    - Scott Trailers (Zeitlan)
  - Mainspring – (El Paso co-location driven). Revised plats provided to landowner for approval.
  - Denham – (El Paso co-location driven). Final alignment discussions in-progress related to the offset.
- Hydrostatic Testing
  - Test Plan routed for comment.

## **CONSTRUCTION - % Complete – Mainline**

- HDD's
  - Two HDD subcontractors are available by mid August with 4 rigs – The Crossing Company and Intercon – pursuing both. Discussions continue with Delta as well.

- To Redhawk HDD's – Waddell, Hwy 60 and I10 (2). Possibly the Aqua Fria as well depending on discussions with ADOT. The Waddell is cleared to perform construction.
- From Redhawk to End HDD's – Santa Rosa and Gila River. The Santa Rosa Canal is cleared to perform construction.

- % Complete - MP 0 to MP 110

Clear/Grade	100%
Trench	100%
String	100%
Bending	100%
Welding	100%
Coating	98%
Lower-in	98%
Backfill	97%
Clean-up	67%
Testing	20%
Caliper	0%

- % Complete - MP 110 to MP 255

Clear/Grade	52%
Trench	49%
String	48%
Bending	48%
Welding	46%
Coating	43%
Lower-in	39%
Backfill	39%
Clean-up	19%
Testing	0%
Caliper	0%